

Property Managers • Developers • Realtors

March 11, 1996

Mr. William F. Caton Acting Secretary Federal Communications Commission 1919 M Street, N.W., Room 222 Washington, DC 20554

DOCKET FILE COPY ORIGINAL

Dear Mr. Caton
Telecommunications Services - Inside Wiring
Customer Premises
Equipment
CS Docket Number 95-184

This letter is in response to the Federal Communications Commission's (FCC) Notice of Proposed Rulemaking released on January 26, 1996 regarding telephone and cable wiring inside buildings. Four (4) copies of this letter, in addition to this original, are enclosed.

Thomas Group, Inc. is a small commercial property management company whose annual revenues are less than \$3,000,000.00. Thomas Group operates in a rather small metropolitan area, greater Daytona Beach, Florida, whose 1994 population was approximately 166,000. Our management portfolio includes medical office buildings, general office buildings, shopping centers, and parking garages. A majority of these projects, 86.96%, are owned by individual or small investor groups, not large institutional investors. While the largest property Thomas Group currently manages only contains approximately 100,000 square feet, this property is one of the largest commercial buildings in the greater Daytona Beach area, a prize for any vendor doing business in the greater Daytona Beach area.

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Thomas Group, Inc. supports free trade. We believe that competition is good not only for the economy but also for consumers. Modern telecommunications is critically important to our tenants as no business can survive in today's market without effective and up-to-date telecommunications services. It is anticipated that future technical advances in the telecommunication industry will have an even greater impact on medical office buildings. Therefore, it is important for us, as the managing agent, to ensure that our tenants receive all the services they desire at a reasonable cost. The commercial real estate industry is fiercely competitive, and if we do not provide our tenants with access to the latest telecommunications services, we would no longer be in business. Access to efficient telephone and cable television service is important to the tenants of our managed properties and we are committed, to the best of our ability, to making sure that those services are available.

As the managing agent for these properties we are concerned that any action by the FCC regarding access to private property by large numbers of communications companies may inadvertently and unnecessarily adversely affect the conduct of our business and needlessly raise additional legal issues. The FCC's public notice also raises a number of other issues that concern us such as access to private property, location of the demarcation point, standards for connections, regulation of wiring, and customer access to wiring.

ACCESS TO PRIVATE PROPERTY:

Government intervention is neither necessary nor desirable to ensure that telecommunications service providers can serve our tenants. In fact, such intervention could have the unintended effect of interfering with our ability to effectively manage properties. Building owners and manages have a great many responsibilities that can only be met if property rights are preserved. These responsibilities include coordination of activities between tenants and service providers, managing limited physical space, ensuring the security of tenants and visitors, compliance with safety codes, and compliance with civil laws such as The Americans With Disabilities Act. Needless regulation will not only harm our interests but the interest of our tenants and the public at large.

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Building owners and managers must have control over the space occupied by telephone and cable television lines and facilities, especially in a multi-occupant building as it is the owner's or manager's responsibility to coordinate the conflicting needs of multiple tenants and multiple service providers. Improved technology has resulted in large scale changes in our society, everything from increased telecommunications to implementation of the new telecommunications law, are leading to a proliferation of services, service providers, and telecommunications needs. With such changes the role of the building owner or manager and the importance of preserving control over riser and conduit space will only grow. For this reason Thomas Group believes that the best approach to the issues raised in the request for comments is to allow the free enterprise system, without government interference, to work. Competitive forces will require building owners and managers to provide tenant needs, these same competitive forces will allow building owners/mangers and telecommunication provides to negotiate "win-win" agreements.

A building has a finite amount of physical space in which telecommunications facilities can be installed. Even if this space can be expanded, it cannot be expanded beyond certain limits nor can it be expanded without significant expense. Due to limited space, it is the building owner's and/or manager's responsibility to make sure that service providers permitted to utilize this space are the providers who can best provide for the needs of the tenants.

Installation and maintenance of telecommunication facilities can involve disruptions in the activities of tenants and damage to the physical fabric of a building. As a result, the building owner/manager must have some form of control as to when work can be accomplished, who performs the work, and the materials used. Example: In building containing a heating, ventilation, and air conditioning system which utilizes an open plenum return air system it is the building owners/managers responsibility to make sure that all cabling either located in conduit or is Teflon coated in order to meet fire code. There have been occasions when installers were not utilizing conduit or Teflon coated cable. In these incidents the work had to be stopped, the non-complying cable removed, and the work restarted.

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Building owners/manages are also concerned about the security of the buildings we manage, the tenants, and tenant's equipment. Telecommunications service providers have no such obligation. Consequently, any maintenance and installation activities must be conducted within the rules established by a building owner/manager and the manager must have the ability to not only supervise those activities but also, as stated above, require that specific materials be used. Given the public's justified concern about personal safety, we simply cannot allow service personnel to go anywhere they please in our buildings without our knowledge. Example: In a building we managed, we begin receiving complaints regarding telecommunications failures. This building accommodated multiple service providers. Our investigation revealed that an employee of one service provider was sabotaging other service provider's equipment. We were able to make this determination due to the building's policies of signing in, collecting a key, and then returning the key and signing out.

Building owners/manages are fully capable of meeting our obligations to our tenants without the government's assistance. Keen competition in the marketplace will require that building owners/manages provide the services demanded by the tenants. It is unnecessary for the government to interject itself in this field and any action by the government is likely to prove counterproductive.

DEMARCATION POINT:

The Notice also requests comments regarding the need for a common demarcation point and the location of such a demarcation point. Thomas Group believes that the only criterion for the location of the demarcation point should be the nature of the property, not the specific technology involved. While a general statement can be made whereby demarcation points for commercial properties should be located inside the building, Thomas Group again believes in the free enterprise system. Example: The Lease Agreement for one of the properties we manage states that the Landlord will provide

telecommunication cabling to a demarcation point, the Tenant is responsible for providing the telecommunication cabling from the demarcation point to their telecommunication equipment. In order to reduce the Tenant's expense, an agreement was reached with a telecommunication provider to provide up to 100 demarcation points on each of the building's six (6) floors.

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CONNECTIONS:

The Notice asks whether the FCC should issue technical standards for connections. Thomas Group believes that government action in this regard is unnecessary. The telecommunications industry has already established standards that are widely followed, we believe that it is in the best interests of the telecommunication providers and their customers that these standards continued to be followed.

REGULATION OF WIRING:

It is very difficult to address this issue since Thomas Group is a commercial property management company and not a telecommunication provider. We do believe that there are substantial differences between residential and commercial buildings. As such it probably does not make sense to adopt uniform rules for all kinds of property.

Thomas Group also has a concerned that government might impose a huge new expense on telecommunication service providers and building owners/manages by requiring retrofitting of existing buildings. We believe that such matter should be left to the ongoing discussions regarding amendments to the Model Building Code.

CUSTOMER ACCESS TO WIRING:

Thomas Group has no objections to permitting a customer to install or maintain its own wiring or to purchase the wiring from a service provider, provided that the rights of the owner of the premises are taken into account. However, the landlord must retain the right to obtain access to the wiring and control the type and placement of such wiring. The owner/manager must retain the right to control activities on their property. NOTE: In properties we manage it is the tenant's responsibility to provide their own wiring from the demarcation point however, as Landlord we retain the right to specify the type of wire used and coordinate the wiring installation.

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SUMMARY:

As stated throughout this letter, Thomas Group, Inc. strongly supports the free enterprise system and encourages competition. We believe that competition not only provides the highest value for the dollar but makes every company more efficient and customer friendly.

We applaud the governments intent to stimulate competition by passing the telecommunications bill. However, we do not believe that the stimulation of competition should be at the cost of individual property rights whether those property rights are associated with residential or commercial properties - the cost of losing individual property rights in the name of competition would be too high of cost to pay.

Property owners and/or managers have a responsibility to maintain the integrity of a building, make sure that the building adheres to the applicable building codes, protect the building's tenants, tenant's premises and contents, and provide adequate security for the building's occupants and invitees. Tenants and tenant's vendors, whether such vendors are telecommunication provides or others, do not know the building's operating procedures nor the building codes to which the building must adhere. As stated earlier, Thomas tenants have the responsibility of providing their telecommunication wiring. It is only through the right to control such installation that Thomas Group is able to stop an installer from violating fire codes by making a hole in a fire wall and not properly sealing said hole, to stop an installer from using wiring that would violate fire codes, to stop an installer from installing equipment in rooms where such equipment is not permitted by code, to make sure that an installer does not damage or sabotage other tenant's telecommunications equipment, to make sure that the installers installation does not compromise any of the building's operating systems, to make sure that the installer has adequate liability and workman's compensation insurance, etc.. Monitoring vendors is difficult at best even with such rights of control, it would be virtually impossible if these controls were removed and every vendor was given free access to all areas of the building.

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One final note, BUILDING OWNERS/MANAGERS are experts in managing real property, we are not telecommunications experts. As with all other speciality fields, building owners/managers rely on consultants, company reputations, and the service experienced by other building owners/managers. If any, and all, telecommunication providers were given the right to enter buildings without consideration of owners/manages rights, concerns, and rules & regulations, building owners/managers would have to become telecommunication experts - something we do not desire.

Mr. Canon, thank you very much for the opportunity to address the issues regarding telecommunications services - inside wiring. As indicated in this letter Thomas Group supports the free enterprise system and competition but also believes that the property owner should have the right to control who has access to certain areas of a building, who does work in, or on, the building, to make sure that the installer is ligament and maintains the proper insurance. We hope your Commission will seriously consider our concerns.

Sincerely,

David Meyers, CPM

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Vice President